



**GENERAL ASSEMBLY OF THE STATE OF TENNESSEE  
FISCAL REVIEW COMMITTEE**

320 Sixth Avenue, North – 8<sup>th</sup> Floor  
NASHVILLE, TENNESSEE 37243-0057  
615-741-2564

**Sen. Bill Ketron, Chairman**

**Senators**

Douglas Henry      Reginald Tate  
Doug Jackson      Ken Yager  
Brian Kelsey  
Randy McNally, *ex officio*  
Lt. Governor Ron Ramsey, *ex officio*

**Rep. Charles Curtiss, Vice-Chairman**

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Steve McManus      Curry Todd  
Mary Pruitt      Eddie Yokley  
Craig Fitzhugh, *ex officio*  
Speaker Kent Williams, *ex officio*

**M E M O R A N D U M**

**TO:** The Honorable Dave Goetz, Commissioner  
Department of Finance and Administration

**FROM:** Bill Ketron, Chairman, Fiscal Review Committee *BK*  
Charles Curtiss, Vice-Chairman, Fiscal Review Committee *CC*

**DATE:** November 12, 2010

**SUBJECT:** Contract Comments  
(Fiscal Review Committee Meeting 11/9/10)

**RFS# 350.50-04507 (317.01-50008) (Edison # 2894)**

**Department: Finance & Administration/Benefits Administration**

**Contractor: BlueCross BlueShield of Tennessee (CoverKids)**

**Summary: The vendor provides statewide administrative services for the CoverKids Program. The proposed amendment provides the premium levels and administrative fees for CY 2011 and increases the maximum liability by \$12,000,000.**

**Current maximum liability: \$468,400,000**

**Proposed maximum liability: \$480,400,000**

After review, the Fiscal Review Committee voted to approve the contract amendment provided that there is no increase in the maximum liability of the contract and with the stipulation that documentation demonstrating that applicants must provide proof of eligibility is provided to the Committee.

cc: Ms. Laurie Lee, Executive Director  
Mr. Robert Barlow, Director, Office of Contracts Review